Supreme Court, U.S.
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No. 07-

In The
Supreme Court of the United States

STEPHEN G. GOETZ AND
GARDNER DESIGN GROUP,

Petitioners,

v.

AMERICAN EXPRESS COMPANY.

Respondent.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Second Circuit

PETITION FOR WRIT OF CERTIORARI

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June 23, 2008

QUESTIONS PRESENTED

Should this Court resolve a clear split among the circuits in the inconsistent evidentiary standards they apply in a reverse confusion trademark infringement action wherein a reverse confusion claimant must first establish ownership in its mark by showing that the public associates the mark with its goods/services and then, on the reverse confusion issue, do the exact opposite and establish that the public associates its uses of its own mark as those of the infringing junior user.

Did the District Court below egregiously depart from the accepted and usual course of judicial proceedings by depriving the senior user of the opportunity to conduct any discovery to authenticate the junior user, American Express Company's, claim that it independently conceived of and did not steal the *My Life My Card* slogan, from defendant and cross-complainant?

RULE 14.1(b) STATEMENT

A list of all parties to the proceeding in the court whose judgment is the subject of this Petition is as follows:

Defendant-Appellants and Petitioners: Stephen G. Goetz and Gardner Design Group, LLC.

Plaintiff-Appellee and Respondent: American Express Company.

RULE 29.6 STATEMENT

Pursuant to Supreme Court Rule 29.6, petitioner states that it has no parent corporation, and no publicly-held company owns 10% or more of its stock.

TABLE OF CONTENTS

Questions Presented	i
Rule 14.1(b) Statement	ii
Rule 29.6 Statement	iii
Table of Contents	iv
Table of Authorities	vi
Opinions Below	1
Jurisdiction	2
Constitutional and Statutory Provisions Involved	2
Statement of the Case	3
Reasons for Granting the Petition	8
A. The Circuits Are Using Inconsistent Evidentiary Standards	8
B. Depriving Goetz of Any Meaningful Discovery Was An Egregious Departure From the National Course of Judicial Proceedings	14
Conclusion	17

Appendix

American Express Co. v. Stephen G. Goetz and Gardner Design Group, LLC, 515 F.3d 156 (2nd Cir. 2008) 1a-13a

American Express Co. v. Stephen G. Goetz and Gardner Design Group, LLC, Judgment, February 23, 2006 S.D.N.Y. 05-cv-1555 14a-17a

American Express Co. v. Stephen G. Goetz and Gardner Design Group, LLC, Order, February 3, 2006 S.D.N.Y. 05-cv-1555 18a

American Express Co. v. Stephen G. Goetz and Gardner Design Group, LLC, Oral Ruling, February 3, 2006 Hearing Transcript (pp.24-32) S.D.N.Y. 05-cv-1555 19a-26a

American Express Co. v. Stephen G. Goetz and Gardner Design Group, LLC, Order, October 19, 2005 S.D.N.Y. 05-cv-1555 27a-30a

American Express Co. v. Stephen G. Goetz and Gardner Design Group, LLC, Order, March 24, 2008 2nd Cir. No. 06-2184-cv 31a-32a

TABLE OF AUTHORITIES

Cases

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477 U.S. 317 (U.S. 1986)

Cohn v. Petsmart, Inc., 281 F.3d 837, 15
(9th Cir. 2002), *citing Commerce,*
214 F.3d at 444

Commerce Nat'l Ins. Servs. Co. v. 9
Commerce Ins. Agency, Inc.,
214 F.3d 432 (3rd Cir. 2000)

Dick's Sporting Goods, Inc. v. 10
Dick's Clothing & Sporting Goods,Inc.,
1999 U.S. App. LEXIS 19942
(4th Cir. Md. Aug. 20,1999)

Minn. Specialty Crops, Inc. v. 10
Minn. Wild Hockey Club, LP, 2002
U.S. Dist. LEXIS 13991 at *18
(D. Minn. July 26, 2002)

President & Trustees of Colby College v. 11
Colby College--New Hampshire,
508 F.2d 804, (1st Cir. 1975)

Sands, Taylor & Wood Company v. 8
the Quaker Oats Company
978, F.2d 947 (7th Cir 1992)

Thurman v. Whitfields, 751 F.2d 90, 16
(2nd Cir. 1984)

Wrench LLC. v. Taco Bell Corp., 256 F.3d 446, (6th Cir. 2001) 16

Statutes and Rules

Supreme Court Rule 13.3 2

28 U.S.C. § 2101(c) 2

28 U.S.C. § 1254(1) 2

Lanham Act 15 U.S.C. § 1051 et seq. 2, 3

Treatises

Gilson on Trademarks, § 5.14[c] 10

McCarthy, Trademarks and Unfair Competition §23:10 (2008) 8

PETITION FOR A WRIT OF CERTIORARI

Stephen G. Goetz and Gardner Design Group, LLC (collectively "Goetz") respectfully petition for a writ of certiorari to review the judgment of the Second Circuit.

OPINIONS BELOW

The Second Circuit's *per curium* judgment affirming the district court's summary judgment of non-infringement, dated February 4, 2008 is officially reported at 515 F.3d 156 (App. at 1a-13a).

The district court's entry of Judgment in favor American Express, dated February 24, 2006 (App. at 14a-17a).

The district court's Order granting American Express's motion for summary judgment, dated February 3, 2006 (App. at 18a).

The Second Circuit's denial of the petition for rehearing, dated March 25, 2008 (App. at 27a-28a).

JURISDICTION

The judgment of the Second Circuit sought to be reviewed was entered on February 4, 2008. The Second Circuit denied a timely petition for rehearing on March 24, 2008. This petition is timely entered under 28 U.S.C. § 2101(c) and Supreme Court Rule 13.3 because it is filed within 90 days of the entry of the order denying rehearing of the judgment sought to be reviewed. This Court has jurisdiction to review the judgment of the Second Circuit pursuant to 28 U.S.C. § 1254(1).

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

Lanham Act 15 U.S.C. 1051 et seq.

STATEMENT OF THE CASE

American Express Company initiated this case seeking a declaration that it independently conceived of and did not steal or misappropriate the slogan *My Life, My Card* from Goetz, a slogan that became the centerpiece of its global ad campaign launched in November 2004, three months after Goetz submitted his slogan and promotional materials to American Express featuring a substantially identical mark.[1] American Express also sought a declaration that it did not infringe willfully or otherwise, Goetz's trademark rights. American Express filed its Declaratory Complaint days after it received a cease and desist letter from Goetz's counsel. Goetz immediately filed a cross-complaint alleging, among other things, that American Express misappropriated his slogan and infringed his trademark, in addition to claims for unfair competition and related claims.

The case squarely presented the doctrine of "reverse confusion" under the Lanham Act 15 U.S.C. 1051 *et seq.* The subject mark and slogan at issue in this case, *My Life, My Card* was the centerpiece of both parties' promotional efforts in 2004.

As the Second Circuit acknowledged, it is undisputed that Goetz was using the *My Life, My Card* mark in connection with his products and

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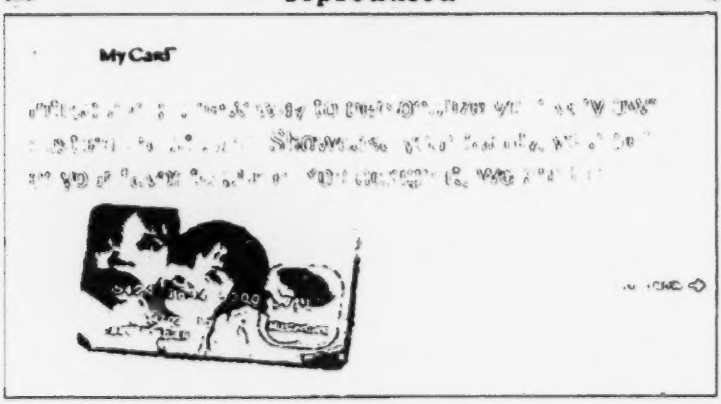
[1] In its own version of the mark, American Express replaces the comma with a period, *i.e., My Life. My Card.*

personalized credit card services *before* American Express launched its highly publicized ad campaign and began using the identical mark in commerce. (App. at 3a-4a).

Goetz first used the mark and software he developed in July 2004, when promotional materials featuring the mark were directly sent to American Express's Executive Vice President Global Advertising and Brand Management and Chief Marketing Officer. Specifically, the promotional materials described Goetz's services, prominently displayed the *My Life, My Card* mark, and used the notation "TM" in connection with the mark. American Express received the materials on August 2, 2004, and unbeknownst to Goetz at the time, and as American Express later admitted, American Express was at that very moment actively engaged in trying to identify a slogan to be the centerpiece of a new global ad campaign.

To further promote the goods and services, Goetz also created a website which also featured the *My Life, My Card* mark with the "TM" notation as reproduced below:



In addition to developing software and a website and sending promotional materials to American Express, Goetz also sent promotional materials to other leading credit card companies such as MasterCard, which was extremely interested and entered into negotiations with Goetz for the products and services. However, after American Express launched its global ad campaign, it quickly saturated the marketplace and fundamentally altered the course of Goetz's negotiations with MasterCard. American Express's highly public and highly regarded ad campaign overwhelmed Goetz's own efforts to further use the mark to promote its business. Almost immediately Goetz lost the ability to use its own mark.

A hotly disputed issue in the action was whether American Express or its ad agency independently conceived of the slogan prior to August 2, 2004, or whether it willfully co-opted Goetz's slogan and mark. The evidence produced by American Express consisted of a smattering of documents that had been printed after this lawsuit arose and which were dated between July 22 and July 28, 2004. Notably, there was no documentary evidence of any use of the slogan by American Express or its agency prior to July 22, 2004; there were no story boards or market analysis, and no communications with talent or their agents; and American Express submitted no declaration from any individual who actually claimed to have invented the slogan. Despite that, the district court granted American Express's motion to stay all discovery and refused to allow Goetz an opportunity to properly authenticate any of

American Express's claims or cross-examine any of its witnesses.

At one point, however, the district court did order American Express to produce the computer from which two of the critical documents were printed for production in this lawsuit. Had American Express been able to authenticate just one of the several documents it relied on, it could have resolved the entire issue of misappropriation once and for all. But it refused to do so. Remarkably, after the district court ordered it to produce the key computer American Express and its ad agency admitted that the computer from which the documents were printed had been destroyed long after this lawsuit was filed and one month after the documents were printed for production, but before American Express submitted the documents on summary judgment. Although American Express could not produce the computer, the court nevertheless did not permit any other discovery.

Compounding the problem was the fact that the district court refused to allow Goetz to take even a single deposition of any of American Express's declarants even though Goetz had moved to obtain discovery under Federal Rule Civil Procedure 56(f) (App. at 27a-30a). Despite such egregious departures from standard discovery procedures in a factually detailed matter, the district court granted American Express's motion for summary judgment and judgment was subsequently entered against Goetz and in favor of American Express.

In other words, Goetz was required to respond to American Express's motion for summary judgment ***despite*** being deprived of *any* discovery to authenticate American Express's claim that it independently conceived of the slogan and did not steal it.

It is undisputed that American Express received Goetz's letter on August 2, 2004. Specifically its Executive Vice President of Global Advertising and Brand Management and Chief Marketing Officer, John Hayes, received the letter and, at the same time, he was also working with his ad agency to come up with the slogan for its planned global ad campaign. It is also undisputed that on August 3, 2004, the day after he received Goetz's submission, several top executives from the ad agency charged with coming up with the slogan, drove out to and met with the Mr. Hayes at his vacation home in the Hamptons and, on that day, American Express officially adopted the slogan *My Life. My Card* to be the centerpiece of its next, global campaign, which was launched three months later in November 2004. It was also undisputed that, at least as of July 15, 2004, Mr. Hayes had rejected every other slogan proposed by the ad agency.

The normal course of judicial proceeding would have been to allow Goetz to authenticate at least one piece of evidence proffered by American Express through the sort of objectively verifiable electronic discovery that is relatively commonplace these days. The deprivation of such discovery, given the remarkable circumstances and sophistication of American Express, was an

egregious departure from the normal course of judicial proceedings.

REASONS FOR GRANTING THE PETITION

A. The Circuits Are Using Inconsistent Evidentiary Standards

The doctrine of reverse confusion is specifically designed for cases like this, to protect a relatively small business or entrepreneur, who is the senior trademark user from being overwhelmed and having its mark taken, essentially, by a much larger, albeit junior user of an identical or confusingly similar mark. McCarthy, TRADEMARKS AND UNFAIR COMPETITION §23:10 (2008); see also, *Sands, Taylor & Wood Company v. The Quaker Oats Company*, 978 F.2d 947, 957-958 (7th Cir 1992)(addressing reverse confusion where small senior holder of the "Thrist Aid" mark prevailed against Quaker Oats for seizing the mark for use with its Gatorade brand)

As the senior, yet much smaller user, Goetz is precisely the type of trademark owner that the doctrine of reverse confusion was designed to protect, and American Express is precisely the much larger, highly sophisticated junior user against whom Goetz should have been afforded some iota of protection.

This case presents this Court with the opportunity to resolve a clear division and split among the Circuits as to what should be the *evidentiary burden* upon a senior, yet much

smaller, putative trademark owner in a case of trademark infringement for reverse confusion.

The Third Circuit properly recognized the dilemma faced by a reverse confusion claimant. It has held that in a reverse confusion case, the burden of proof upon a smaller, senior user to establish trademark rights must be ***lowered*** precisely to prevent the larger, junior user from infringing with impunity. *See, e.g., Commerce Nat'l Ins. Servs. Co. v. Commerce Ins. Agency, Inc.*, 214 F.3d 432, 444 (3rd Cir. 2000). According to one commentator, "[p]resumably, the court [in *Commerce*] reasoned that the senior user is smaller and may not have had the time or money to attain secondary meaning, but should still not be subject to having its mark used by another company with more resources." GILSON ON TRADEMARKS, § 5.14[c].[2]

In this case, however, the Second Circuit, applied a different, higher evidentiary standard, one which was adopted in the Fourth Circuit. It implicitly followed a rule that reasons that "the doctrine of reverse confusion is a damages theory, expanding the relief available to a plaintiff who has already established exclusive right to its trade name." *Dick's Sporting Goods, Inc. v. Dick's Clothing & Sporting Goods, Inc.*, 1999 U.S. App.

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[2] This more permissive standard has also been adopted by the Ninth Circuit, where Goetz resides. *See Cohn v. Petsmart, Inc.*, 281 F.3d 837, 842 (9th Cir. 2002), *citing Commerce*, 214 F.3d at 444.

LEXIS 19942 at *35 (4th Cir. Aug. 20, 1999).[3] In other words, under this rule, a reverse confusion claimant faces the very same evidentiary burden to establish trademark rights as any trademark holder operating without the impediment of a larger, junior infringer – e.g. American Express – that has swamped the market with an identical mark.

In the action below, Goetz alleged, *inter alia*, that he had established trademark rights in the subject mark through activities analogous to trademark use. (App. at 11a). Despite acknowledging that Goetz was indeed the first to use the subject mark several months before American Express, the Second Circuit held that Goetz had not established any trademark rights, because he failed to establish that his analogous use of the *My Life. My Card* slogan had been "open and notorious," *i.e.*, "of such a nature and extent" that the mark had become "popularized in the public mind," so that the relevant segment of the public identified the mark with Goetz's services. (App. at 11a-12a).

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[3] The more restrictive evidentiary burden applied in the Fourth and Second Circuits have also been adopted by at least one district court from the Eighth Circuit *See Minn. Specialty Crops, Inc. v. Minn. Wild Hockey Club, LP*, 2002 U.S. Dist. LEXIS 13991 at *18 (D. Minn. July 26, 2002) ("As an initial matter, the Court rejects MSC's contention that the evidentiary burden is reduced in a reverse confusion case").

The second circuit's test for "analogous use," is virtually identical to the "secondary meaning" test utilized in the First Circuit. For example, trademark rights are created when "a significant quantity of the consuming public understand a name as referring exclusively to the appropriate party." *See, e.g., President & Trustees of Colby College v. Colby College--New Hampshire*, 508 F.2d 804, 807 (1st Cir. 1975). Both doctrines are used to determine when a party has in fact created or established cognizable trademark rights in the first place.

Thus, despite acknowledging that Goetz was the first to use the mark, the Second Circuit's ruling put Goetz in an inescapable Catch-22 by failing to take into account that the very harm the doctrine of reverse confusion seeks to remedy is that the "public mind" mistakenly believes that the smaller user's mark is associated with the large junior user. In other words, to prevail under the Second Circuit's reasoning, Goetz had the burden to first establish ownership in the mark by showing that the public associated the mark with his goods and services and then, on the reverse confusion issue, Goetz had to do the opposite and had the burden to establish that the public associated its uses of the mark it created with those of American Express. Goetz submits that this Court should clarify this split and resolve the inconsistent evidentiary burdens, and that the rule articulated and followed by the Third Circuit is the better rule that should be adopted because it pays homage to the policy and rationale behind the doctrine of reverse confusion, and the factual reality facing small

businesses and entrepreneurs in Goetz's position: specifically, American Express's adoption and widespread usage of the *My Life. My Card* mark ***after*** it knew Goetz had already been using his mark in commerce directly with his core market—the credit card companies. Indeed, Goetz had already sent his advertising materials to the same person at American Express responsible for coming up with its next slogan. Under such circumstances, the larger, sophisticated, yet junior user, should not be permitted free reign to seize a senior user's mark then flood the market to deprive the senior user of their mark.

The rule in the Fourth and Second Circuits, on the other hand, is illogical and contrary to the very purpose of the doctrine of reverse confusion – *i.e.*, to protect small businesses and entrepreneurs who are senior users from larger, yet junior users, that can inundate the market to seize any mark they want before the senior user even has an opportunity to establish the secondary meaning that these circuits require.

In the case at bar, the Second Circuit required that Goetz show a use of *My Life, My Card* that was "open and notorious" even though Goetz had already developed software for credit cards, launched a related service website, and marketed his product and services to American Express and the other leading credit card companies and had indeed entered into negotiations with MasterCard. Notably, the Court below required Goetz to show an association in the mind of the public even ***after*** American Express already had saturated the

market through its campaign that ensured that the public associated the mark with its *My Life. My Card global* advertising campaign.

The more logical, fair and just result, which would carry out the intent of the reverse confusion doctrine would have been to follow the rule applied in the Third and Ninth Circuits, which would have recognized Goetz's trademark rights in light of the reverse confusion caused by American Express. This Court should grant this Petition for the purpose of resolving this clear split in authority among the Circuits, and should confirm that the proper evidentiary burden in the case of reverse confusion, should be the rule promulgated and followed in the Third and Ninth Circuits, and not the more restrictive rule applied in the Fourth and Second Circuits.

B. Depriving Goetz of Any Meaningful Discovery Was An Egregious Departure From the Normal Course of Judicial Proceedings

This Court should also grant the Petition to correct an egregious departure from standard judicial procedures. Here, Goetz was, in a very real sense, railroaded by the district court's premature decision to grant American Express's motion to stay all discovery which deprived Goetz of any opportunity to conduct any discovery, despite the rather remarkable circumstances presented here, to say the least, and despite his motion for discovery under Federal Rule of Civil Procedure Rule 56(f). Such a deprivation of basic discovery

rights in a case of this magnitude was a clear and egregious departure from accepted and usual course of judicial proceedings. As this Court stated in *Celotex Corp. v. Catrett*, 477 U.S. 317 (U.S. 1986), Rule 56(f) is the safeguard that protects against premature summary judgment motions that deprive a party of discovery. Id. at 326. In this case, that safeguard failed.

Both the district court and the Second Circuit portray Goetz as having asked for carte blanche to rummage through American Express's files and documents hoping against hope to find something. This is simply false. All Goetz has ever asked for was the right to conduct some iota of discovery to authenticate even a single document that American Express relied upon to support its claim that it independently conceived of this slogan sometime between July 15 and August 1, 2004. Electronic discovery is now routine and commonplace and certainly such a large and sophisticated litigant as American Express should know this and have been able to voluntarily or otherwise verify its claim through objectively verifiable forensic discovery. Given the relative paucity of evidence for an ad campaign of this size, and the missing computer such a request seems extremely reasonable under the circumstances given the remarkable timing and circumstances of American Express's adoption of the identical mark a day after it received Goetz's submission. The fact that the computer from which its evidence was generated was destroyed, after American Express filed this lawsuit and after it received anti-spoliation letters from Goetz's counsel, warrants permitting discovery since the

factual question of whether American Express misappropriated the slogan can exist as a claim, separate and apart from whether Goetz established a trademark. *See, e.g., Thurman v. Whitfields*, 751 F.2d 90, 93 (2nd Cir. 1984) (reversing grant of summary judgment on basis of implied contract/idea submission); *Wrench LLC. v. Taco Bell Corp.*, 256 F.3d 446, 453 (6th Cir. 2001) (finding that unauthorized use of ideas or concepts of another may form the basis of liability under theory of breach of implied in fact contract). Even the Chief Judge of the Second Circuit Court of Appeals remarked during oral argument that it was "a stretch" for counsel to argue that American Express had conclusively established that it independently conceived of the centerpiece of its global ad campaign.

CONCLUSION

For the forgoing reasons, the petition for a writ of certiorari should be granted.

Respectfully Submitted,

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APPENDIX

UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

August Term, 2006

(Argued March 2, 2007 Decided February 4, 2008)

Docket No. 06-2184-cv

AMERICAN EXPRESS CO.,
Plaintiff-Counter-Defendant-Appellee,

v.

STEPHEN G. GOETZ AND GARDNER DESIGN GROUP, LLC,
Defendants-Counter-Plaintiffs-Appellants.

Before:

JACOBS, Chief Judge,
CARDAMONE, and POOLER, Circuit Judges.

Defendants Stephen Goetz and Gardner Design Group, LLC appeal from a judgment entered February 24, 2006 in the United States District Court for the Southern District of New York (Kaplan, J.) granting plaintiff American Express's motion for summary judgment and dismissing Goetz's coun-

terclaims. Goetz had alleged that American Express infringed upon his trademark by using the slogan MY LIFE. MY CARD.

Affirmed.

[*157] *PER CURIAM:*

Many might associate the phrase MY LIFE. MY CARD. with advertisements for the American Express credit card featuring celebrity cardholders like Robert De Niro and Tiger Woods. But before American Express Co. (American Express) made the phrase famous, Stephen Goetz, the president of Gardner Design Group, LLC (Goetz), used a [**2] virtually identical slogan in a sales pitch to credit card companies. Goetz's idea was to personalize credit cards by reproducing photographs selected by cardholders on the face of their cards. In search of clients, Goetz sent proposals to various credit card companies, including American Express, containing [*158] a description of his concept and the catchphrase My Life, My Card.

In response to American Express's MY LIFE. MY CARD. campaign, Goetz demanded the company cease and desist using the slogan. American Express responded by commencing the instant declaratory judgment action in the United States District Court for the Southern District of New York before Judge Lewis A. Kaplan seeking a declaration that it had not misappropriated the slogan and that Goetz lacked a viable claim for infringement. In a judgment entered on February 24, 2006 the district

judge granted summary judgment to American Express and dismissed Goetz's counterclaims for misappropriation and trademark infringement.

Goetz's principal challenge on appeal is to the district court's ruling that he had not used the slogan as a trademark. We affirm.

BACKGROUND

In the summer of 2004 Goetz, who was then working as a corporate [**3] consultant for a company called Mez Design, formulated an idea to enable credit card customers to personalize a card by choosing a photograph to be printed on the card's face. Goetz developed proprietary software with this capability and endeavored to license or sell the software to credit card companies. In proposing his idea to potential clients, Goetz prominently displayed the slogan he created--"My Life, My Card" -- believing that the phrase "would perfectly embody what card consumers sought."

On July 30, 2004 Goetz mailed a proposal to American Express with a line reading: "'My Life, My Card' American Express delivers personalized cards to its cardholders!" Goetz sent similar proposals to Mastercard, Citigroup, Kessler Financial Services, and Metavante, in each case tailoring the catchphrase to the prospective client. With the help of Hans Krebs, an expert in web design, Goetz also created an Internet-based demonstration of his card personalization concept, which prominently displayed the slogan My Life, My Card on Krebs' server at http://mylifemycard.hanskrebs.com. On September 7, 2004 Goetz registered the domain name www.mylife-mycard.com and the following

day he filed an application [**4] with the United States Patent and Trademark Office for registration of the My Life, My Card mark.

American Express never replied to Goetz's proposal, but MasterCard expressed interest. In December 2004 and February 2005 Goetz met with MasterCard to discuss his personalized credit card services and, in his correspondence with Mastercard representatives, Goetz suggested they view his demonstration on the Internet.

Also in the summer of 2004 American Express hired the Ogilvy Group advertising agency (Ogilvy) to assist in the development of a new global campaign for American Express products. On July 22, 2004 Ogilvy proposed the MY LIFE. MY CARD. idea as the lynchpin of American Express's new campaign. American Express responded favorably and, between July 26 and July 28, Ogilvy developed several advertisements centering on the slogan. On July 29 Ogilvy's outside counsel conducted a preliminary trademark search to determine the availability of the slogan as a service mark in the United States. Ogilvy next asked its counsel to follow-up with a full trademark search on July 31, which was two days prior to the scheduled delivery date of Goetz's proposal to American Express. Neither trademark [**5] search produced any references to Goetz.

[*159] After deciding in August 2004 to proceed with the slogan and the campaign, American Express registered the domain name www.mylifemycard.com on September 1, 2004 and filed an Intent to Use application for MY LIFE. MY

CARD. with the United States Patent and Trademark Office on September 15, 2004. Ultimately, in early November 2004 American Express launched the global campaign by means of television, print, outdoor, and Internet advertising. The present litigation followed.

During discovery, Goetz sought to examine in their entirety numerous computer hard drives belonging to Ogilvy and American Express employees. When American Express refused this request, Goetz moved to compel production. On October 27, 2005 Judge Kaplan granted Goetz's motion only to the extent it involved electronic records pertinent to the disputed dates of creation of two documents. The district court also granted American Express's motion to stay further discovery pending the court's disposition of its summary judgment motion.

In a judgment entered on February 24, 2006 the court granted summary judgment to American Express and dismissed Goetz's counterclaims. The court held [**6] that Goetz had "no valid protectable trademark rights in My Life, My Card or any other purported mark using those words that are senior to [American Express's] rights in MY LIFE. MY CARD." The district court also observed that Goetz did not contest that American Express independently conceived of the slogan. Following entry of judgment, Goetz filed a timely appeal of the trademark ruling as well as its October 27, 2005 order denying his more far-reaching discovery motion.

DISCUSSION

I Standard of Review

We review the district court's grant of summary judgment *de novo,* construing the facts in the light most favorable to Goetz. *See Tocker v. Philip Morris Cos.,* 470 F.3d 481, 486 (2d Cir. 2006). Discovery rulings are reviewed under an abuse of discretion standard. *Gualandi v. Adams,* 385 F.3d 236, 244-45 (2d Cir. 2004).

II Goetz Did Not Use the Slogan As a Trademark

Under the Lanham Act, 15 U.S.C. §§ 1051 *et seq.,* a trademark or service mark is any combination of words, names, symbols or devices that are used to identify and distinguish goods or services and to indicate their source. *See* 15 U.S.C. § 1127. While copyright law protects the content of a creative work itself, *see EMI Catalogue P'ship v. Hill, Holliday, Connors, Cosmopulos Inc.,* 228 F.3d 56, 63 (2d Cir. 2000), [**7] it is trademark law that protects those symbols, elements or devices which identify the work in the marketplace and prevent confusion as to its source. *See id.* at 62-63; *see also* 1 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 6:17.50, at 6-38 (4th ed. 2000) (noting that trademark law does not serve as a substitute for copyright). For example, the title of a song might identify that song in the marketplace, but the musical composition itself would not perform that function; thus, while the title may be protectable by trademark, the composition would not be. *EMI Catalogue P'ship,* 228 F.3d at 63. Further,

a mark that does not perform the role of identifying a source is not a trademark. *See id.* at 64.

Notably, the same mark that performs this source-identifying role in one set of hands may constitute the creative work itself in another. Such distinction often is appropriate when an advertising agency licenses a slogan to a client for the client's use in marketing a product. In this scenario, [*160] the slogan is part of the advertising agency's creative work, but it may become a source identifier when used by the client. *See* 2 McCarthy, *supra,* § 16.39, at 16-64.2 ("In many [**8] situations . . . the mere conception of a mark by an advertising agency for possible use by the client does not create any trademark rights in the agency.").

The Patent and Trademark Office's Trademark Trial and Appeal Board has long recognized, in such situations, that the slogans cannot be registered as marks by the advertising agency, even if they would be subject to registration by the end users of the marks. *See In re Admark, Inc.,* 214 U.S.P.Q. 302, 303 (T.T.A.B. 1982). The reason is plain: the slogan does not identify and distinguish the services of the advertising agency, but rather is the creative work itself. *Id.; see also In re Adver. & Mktg. Dev., Inc.,* 821 F.2d 614, 620 (Fed. Cir. 1987) (explaining that an advertising agency cannot register a mark it uses to identify the subject of the advertising as opposed to the agency's services); *In re Local Trademarks, Inc.,* 220 U.S.P.Q. 728, 730 (T.T.A.B. 1983) ("We believe that applicant's insurance agency clients would view the slogan 'WHEN IT'S TIME TO ACT[]' . . . as a feature of applicant's

product and not as a mark identifying and distinguishing the service being rendered by applicant.").

In the present case, construing all the [**9] facts in Goetz's favor, the only reasonable conclusion that can be drawn is that My Life, My Card was a component of Goetz's business proposal to the credit card companies rather than a mark designating the origin of any goods or services he offered to them.

According to Goetz, he believed that the phrase My Life, My Card would "perfectly embody what card consumers sought." Yet, for the obvious reason that Goetz did not sell credit cards, he never displayed the slogan to card consumers. Instead, he offered the slogan as a complement to the card personalization concept and software he proposed to sell and, in this respect, his claim is no better than that of an advertising agency that offers its clients a marketing concept to enhance their sales.

Our review of Goetz's letters and proposals to card companies reinforces that conclusion. Every use of the tagline My Life, My Card is immediately followed by the name of a credit card company which might choose to deliver personalized cards with such a slogan. My Life, My Card never appears as a stand-alone logo and the phrase is never followed by a reference to Goetz himself or his company. It is thus clear that Goetz did not intend the phrase [**10] My Life, My Card to ensure MasterCard, American Express or Citigroup would associate the card personalization concept with him, but instead to interest these companies in a slogan that would identify personalized cards with whichever

company elected to make this product available to its customers.

A comparison of Goetz's use of the Mez Design logo with his use of the My Life, My Card slogan in his correspondence with prospective clients further illustrates our point. The Mez Design logo appeared in the upper left hand corner of both the proposal itself and Goetz's cover letters to the companies. Such placement indicated to readers that Mez Design was the source of Goetz's proposal. Similarly, in his letters Goetz emphasized that "[w]ith over 10 years of marketing and design expertise, Mez Design is in a unique position to deliver competitive solutions," "Mez Design has helped its partners increase brand awareness and gain market share," and "Mez Design has done the research, and will invest the capital to deliver your product." We recognize that a company's [*161] marks need not be derived from its trade name, and many companies use multiple marks, but Goetz's references to Mez Design furnish [**11] a solid example of typical trademark usage: Goetz plainly desired readers to associate his goods or services with the Mez Design mark. My Life, My Card, by contrast, appeared in the section of Goetz's correspondence in which he described the content of his proposal.

In sum, Goetz employed the slogan My Life, My Card to generate interest among potential licensee credit card companies and not to differentiate or identify the origin of his goods or services. In such circumstances, the slogan served as "a mere advertisement for itself as a hypothetical commodity." *Silberstein v. Fox Entm't Group, Inc.*, 424 F. Supp.

2d 616, 633 (S.D.N.Y. 2004). Consequently, Goetz's trademark claim was properly dismissed.

III Analogous Use

It is firmly established that "the right to exclusive use of a trademark derives from its appropriation and subsequent use in the marketplace." *La Societe Anonyme des Parfums le Galion v. Jean Patou, Inc.,* 495 F.2d 1265, 1271 (2d Cir. 1974) (Friendly, J.). Thus, there can be no trademark absent goods sold and no service mark without services rendered. *See, e.g., Chance v. Pac-Tel Teletrac Inc.,* 242 F.3d 1151, 1156 (9th Cir. 2001) ("[L]ike with trademarks, common law rights [**12] are acquired in a service mark by adopting and using the mark *in connection with services rendered."* (emphasis added)). Unlike trademarks, service marks usually cannot be "affixed" or displayed in close connection with the services, so advertisements and solicitations are often used as evidence of use. *See generally* 4A Rudolf Callmann, *The Law of Unfair Competition, Trademarks and Monopolies* § 26:27, at 26-225 to 26-228 (Louis Altman 4th ed. 1998). However, it cannot be said that a service mark is actually used if it is displayed in an advertisement for services that are non-existent or will only hypothetically be available at some point in the future. *See, e.g., Greyhound Corp. v. Armour Life Ins. Co.,* 214 U.S.P.Q. 473, 474-75 (T.T.A.B. 1982). Goetz made no actual use of My Life, My Card since Goetz's services were wholly hypothetical when he sent his promotional materials to the credit card companies.

Goetz counters that even if he did not actually use My Life, My Card as a trademark, his activities were analogous to trademark use. Goetz cites *Diarama Trading Co. v. J. Walter Thompson U.S.A., Inc.,* No. 01 Civ. 2950, 2005 U.S. Dist. LEXIS 19496, 2005 WL 2148925 (S.D.N.Y. Sept. 6, 2005) and *Housing & Services, Inc. v. Minton,* No. 97 Civ. 2725, 1997 U.S. Dist. LEXIS 8883, 1997 WL 349949 (S.D.N.Y. June 24, 1997), [**13] in support of the assertion that analogous use is sufficient to establish trademark rights in the absence of actual use. These cases suggest that the analogous use doctrine, where it applies, eases the technical requirements for trademarks and services marks in favor of a competing claimant who asserts priority on the basis of earlier analogous use of the mark. *Diarama,* 2005 U.S. Dist. LEXIS 19496, 2005 WL 2148925, at *7 ("[P]rior 'use of a designation . . . in a manner analogous to trademark and service mark use' can defeat a trademark registered by a subsequent user."); *Minton,* 1997 U.S. Dist. LEXIS 8883, 1997 WL 349949, at *3 (noting that evidence of an actual sale may not be required to establish prior use).

Goetz's use of the My Life, My Card logo does not qualify as analogous use. At the very least analogous use must be use that is "open and notorious." *See Minton,* 1997 U.S. Dist. LEXIS 8883, 1997 WL 349949, at *4. In other words, analogous use must be "of such a nature and extent" that the mark has become [*162] "popularized in the public mind" so that the relevant segment of the public identifies the marked goods with the mark's adopter. *Id.; see Diarama,* 2005 U.S. Dist. LEXIS 19496,

2005 WL 2148925, at *7. Here, Goetz used his slogan only in communications with a few commercial actors within [**14] the credit card industry. There was no public exposure of the My Life, My Card slogan. In fact, Goetz himself, in a series of emails to Hans Krebs between August and October 2004, indicated that he wanted to keep a low profile for the project and for the website. Such use was neither open nor notorious and My Life, My Card never came to be associated with Goetz in the public mind.

Moreover, as Goetz never made actual use of the slogan, he would have us rely on his purported analogous use as the sole source of his trademark rights. The doctrine, however, has not been stretched so far as to obviate the requirement that Goetz show eventual actual use. *See De Beers LV Trademark Ltd. v. DeBeers Diamond Syndicate Inc.*, 440 F. Supp. 2d 249, 265 n.14 (S.D.N.Y. 2006) ("[I]nsofar as plaintiffs contend that they can obtain protectable rights in a mark *solely* through [analogous use], this view of Section 43(a)'s scope has never been adopted by this circuit." (emphasis in original)); *WarnerVision Entm't Inc. v. Empire of Carolina Inc.*, 915 F. Supp. 639, 646 (S.D.N.Y. 1996), *vacated on other grounds* 101 F.3d 259 (2d Cir. 1996) (any promotional activities "must be within a commercially reasonable [**15] time prior to actual use" for them to be considered analogous uses).

IV Discovery Ruling

Goetz unpersuasively claims that the district court abused its discretion by limiting discovery to ascertain whether American Express independently conceived of MY LIFE. MY CARD. Specifically, Goetz appealed the district court's October 27, 2005 order denying him full access to computer hard drives of employees of American Express and Ogilvy who worked American Express's campaign.

The district court granted Goetz's motion to compel production in part and afforded him access to electronic records pertaining to documents the dates of creation of which were in question. Although Goetz's motion called for broader discovery than was granted him, Goetz has not identified any error in the district court's determination that "such wholesale rummaging" through American Express's electronic records was not appropriate here.

CONCLUSION

For these reasons, the judgment of the district court granting American Express's motion for summary judgment and dismissing Goetz's counterclaims is affirmed.

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

AMERICAN EXPRESS COMPANY,
Plaintiff,

05 Civ, 1555 (LAK)

-against-

STEPHEN G. GOETZ and
GARDNER DESIGN GROUP,
Defendants.

JUDGMENT

WHEREAS, on February 3, 2006, the Motion for Summary Judgment (the "Motion") of Plaintiff/Counterclaim Defendant American Express Company (the "Plaintiff') came on for oral argument before the Honorable Lewis A. Kaplan of the United States District Court, Southern District of New York. seeking declaratory judgment in Plaintiffs favor on all counts in its Complaint for Declaratory Judgment and dismissal of all counterclaims asserted by Defendants Stephen G. Goetz ("Goetz") and Gardner Design Group („'Gardner") (collectively the "Defendants") in the matter on the grounds that, inter alia, (i) Plaintiffs use of and application with the U.S. Patent and Trademark Office to register the service mark "MY LIFE. MY CARD." did not violate any rights the Defendants may have pursuant to 15 U.S.C. § 1125(a) or constitute unfair competition or trademark infringement under the common law or statutes of any state in the United States; (ii) Plaintiff had not misappropriated any proprietary right of Defendants or en-

gaged in any act of unfair competition with respect to Defendants contrary to the common law or laws of any state in the United States through its adoption and use of the mark "MY LIFE. MY CARD."; and (iii) Defendants had no valid protectable trademark rights in their purported mark "My Life, My Card";

WHEREAS, Plaintiff having submitted with the Court its papers in support of its Motion and Defendants having submitted with the Court their papers in opposition to the Motion;

WHEREAS. after hearing oral argument, the Honorable Lewis A. Kaplan, ruled on February 3, 2006, in favor of Plaintiff, granting Plaintiffs Motion in its entirety and finding that Plaintiff did not misappropriate any proprietary right of Defendants or engaged in any act of unfair competition with respect to Defendants contrary to the common law or laws of any state in the United States through its adoption and use of the mark "MY LIFE. MY CARD." and that Defendants had no valid protectable trademark rights in their purported mark "'My Life, My Card";

WHEREAS, the Court also directed Plaintiff to settle judgment on three days notice to Defendants, pursuant to Local Rule 77.1; and

NOW in accordance with the Court's ruling on February 3,2006, it is

ADJUDGED, that Plaintiff's use of and application with the U.S. Patent and Trademark Office to register the service mark "MY LIFE. MY CARD." do not violate any rights the Defendants may have pursuant to 15 U.S.C. § 1125(a) or constitute unfair competition or trademark infringement under the common law or statutes of any statute in the United States;

ADJUDGED, that Plaintiff has not misappropriated any proprietary right of Defendants or engaged in any act of unfair competition contrary to the common law or laws of any state in the United States through its adoption and use of Plaintiffs mark "MY LIFE. MY CARD.":

ADJUDGED, that Defendants have no valid protectable trademark rights in their purported mark "'My Life, My Card" or any other purported mark using these words that are senior to Plaintiffs rights in their "MY LIFE. MY CARD." service mark;

ADJUDGED, that the counterclaims (including the claims that were initially brought by Goetz in *Stephen Gardner Goetz v. American Express Company*, Civil Action No. 05-CV-6178 (LAK) (JCF), which was dismissed by Stipulation filed on August 3, 2005 as duplicative of the counterclaims in this Action) against Plaintiff are hereby dismissed in their entirety with prejudice; and

ADJUDGED, that, pursuant to Fed. R. Civ. P. 54(d) and Local Rule 54.1, Plaintiff may recover its costs of suit as taxed by the Clerk upon filing a request for costs pursuant to Local Rule 54.1.

Dated: New York, New York
February 23, 2006

Hon. Lewis A. Kaplan, U.S.D.J.

UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF NEW YORK

AMERICAN EXPRESS COMPANY,
Plaintiff,

05 Civ, 1555 (LAK)

-against-

STEPHEN G. GOETZ and
GARDNER DESIGN GROUP,
Defendants.

ORDER

LEWIS A KAPLAN, District Judge.

For reasons stated on the record in open court, plaintiff's motion for summary judgment is granted in all respects and the counterclaims are dismissed.

Settle judgment on three days' notice.

SO ORDERED,

Dated: February 3, 2006

Lewis A. Kaplan
United States District Judge

UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF NEW YORK

AMERICAN EXPRESS COMPANY,
Plaintiff,

05 Civ, 1555 (LAK)

-against-

STEPHEN G. GOETZ and
GARDNER DESIGN GROUP,
Defendants.

Oral Ruling From February 3, 2006
Hearing Transcript (pp.24-32)

THE COURT: I am ready to rule on this matter.

In July of 2004, the defendant Steven G. Goetz conceived of a service of personalizing credit cards with a reproduction on the face of the card of a photograph selected by the card holder. He decided to use the phrase My Life, My Card in connection with it. He submitted the idea both to MasterCard and plaintiff American Express, the latter by letter dated July 30, 2004.

In November 2004, American Express launched a nationwide branding campaign for its credit cards that uses the slogan My Life. My Card. Goetz in due course communicated his view that American Express stole that slogan from him. American Express brought this action for declaration that it had not misappropriated the slogan and that Mr. Goetz has no viable claim of infringement of any proprietary rights. Mr. Goetz has counterclaimed on a number of theories that boil down essentially to

claims of misappropriation of the slogan and trademark infringement.

After the lawsuit was underway, American Express came forward with substantial evidence that its advertising agency independently came up with the slogan before Goetz contacted it. That matter before the Court on American Express's motion for summary judgment for a declaration as prayed in the complaint and to dismiss Goetz's counterclaims. Although Goetz does not formally concede independent creation by American Express, he no longer disputes American Express on this point. The central issue that remains therefore is whether American Express has infringed Goetz's alleged trademark, which in turn depends upon whether Goetz has any trademark rights at all. If he does, whether they are senior to those of American Express and if they are whether there is any likelihood of confusion.

As I resolve the case on the basis of the first of these questions, there is no need to go any further. As I say, in early July 2004 Goetz conceived of a service that I have described. He decided to use the My Life, My Card phrase on or before July 28. The date on which he sent a proposal to MasterCard that bore the legend My Life, My Card at the top. He wrote, as I mentioned, to American Express two days later on July 30 in an effort to interest American Express in its services. He proposed what Goetz described as a strategic relationship between himself and American Express. Underneath the signature block on the first page, Goetz' letter contained the following line: "My Life, My Card, American Express delivers personalized cards to its

cardholders." The same line appeared on the top of the second page, although the slogan was in larger and somewhat more prominent type. American Express never responded to the letter.

In the present posture of the case, it is not necessary for me to go through all of the evidence that shows that American Express and its advertising agency came up with a slogan so similar to Goetz at almost the same moment in time. Suffice it for the moment simply to say Ogilvy & Mather, AmEx's advertising agent, had drafted a script for an American Express TV commercial using My Life. My Card as early as July 15, that the use of that slogan was discussed in a meeting between Ogilvy and American Express on July 22nd, that by July 27, Ogilvy had prepared five scripts for TV commercial for campaign using that phrase, and that Ogilvy no later than July 29 had asked outside counsel to do a preliminary trademark search for My Life. My Card. All of this was prior to Goetz' dispatchment of his letter to American Express.

Not long after Goetz had the idea for the slogan, he approached a classmate, Hans Krebs, who created a demonstration Internet website for Goetz. On August 10, 2004, Krebs advised Goetz that the initial design for the demo, that is reference to the website, was ready to look at and he provided Goetz with a web address at which Goetz could view it. The demo contained a graphic or mockup of a graphic for MasterCard which displayed the phrase My life, My Card in association not with Goetz's name or the name of anyone connected in any way to him, but instead adjacent to the MasterCard logo. In a November 9, 2004, email, Goetz gets as-

sured MasterCard that "Neither visa nor Server-Side are aware of our existence, hence, no public access to our demo or advertised website. We want to maintain the element of surprise for MasterCard."

In the meantime American Express was also busy. On August 30, 2004 it requested a comprehensive search for My Life. My Card. This revealed no reference to Goetz or any of his affiliates or to his My Life, My Card slogan. So on September 1st, 2004 American Express registered the domain name "WWW.Mylifemycard.com."

Goetz picked up on this almost immediately. On September 7, 2004, six days later he discovered that AmEx had reserved the domain name on September 1st. So Goetz registered the domain name "MyLife-My Card.com" on September 7. On the following day, September 8, he filed an application to register a trademark for his slogan. In the meantime, slightly thereafter, American Express on September 15, 2004 filed an intent to use application for the My Life. My Card phrase. It claims that it had no knowledge of Goetz's application when it did so. And, in fact, the declaration that is submitted from an in-house lawyer established no more that that particular individual lacked any such knowledge. On the other hand, it is certainly no evidence that American Express knew about Goetz's application.

Finally, on November 8, 2004, American Express launched its global use of My Life. My Card. It is undisputed that Goetz never made a single sale of any goods or services using the phrase My Life, My Card prior to American Express' global

launch of the My Life. My Card phrase. His only use of the slogan before the filing on September 15, 2004 of American Express' intent to use application were in proposal letters to American Express and MasterCard on two websites and in the domain name that Goetz registered.

"A trademark or service mark is, essentially, a designation of origin. It serves to inform the public of the source of the goods or services. One therefore may not own a trademark unless one uses the mark as a designation of origin on in connection with goods or services made or furnished by or under one's control." So when courts speak of trademark use of a mark, they refer to whether the punitive mark has been used to identify the source of goods or services. Trademark use is a sine qua non of a trade or service mark.

In this case Goetz's use of the slogan in the proposal letters and on the websites and for that matter in the domain name was not trademark use for the simple reason that he never used the slogan to inform anyone of the source of any goods or services offered by him. Rather, it was used in the context of an invitation to the viewers to license slogan from Goetz for their own use. The letter to American Express, for example, used the phrase My Life, My Card followed by the words "American Express delivers personalized cards to its cardholders" in an effort to persuade American Express to license the slogan from Goetz. The graphic Goetz caused to be placed on Krebs' website used the slogan in its close association with the MasterCard logo as part of its demonstration the object of which was to persuade

MasterCard to license the use of the slogan from Goetz.

In consequence, Goetz cannot possibly prevail here even without regard to whether there is a question concerning the extent to which the uses on the websites were publicly available. And I don't think there is much question about that given Goetz's emails.

One other point might be made. Sometimes it is perfectly apparent that some phrase, mark or symbol is being used in such a manner that customers or perspective customers are likely to see it as an indicator of origin. That is not inevitable. By putting in issue the question of whether Goetz ever had made any trademark use of the mark, an issue on which Goetz at trial would have the burden of proof, American Express cast the burden on Goetz to come forward with admissible evidence which if believed would justify a trier of fact in finding that Goetz's use of the My Life, My Card slogan was a trademark use, that is, a use as a source identifier. Goetz came forward with no evidence whatsoever.

I regard the argument that was made this morning, to wit, that American Express has sought registration of My Life. My Card as demonstrative or creating an issue of fact as to whether Goetz's use was a trademark use has good forensics but not good law for reasons that were adduced during the course of the colloquy. American Express uses the phrase differently, they use it in conjunction with their logo, and in connection with services that have an obvious relationship to the slogan, the issuance of credit cards. All of that distinguishes its

use from the use that Goetz made during the relevant time period.

Moreover, the fact that American Express is taking a position in another form as to its own use, which Goetz regards as inconsistent with their argument here as to his use, doesn't raise an issue of fact as to Goetz's use. American Express may be wrong in the other form. They may, in fact, conceivably have registration denied by the GTAD eventually on the ground that their use isn't a trademark use either. But that doesn't help Goetz in any way here. It is clear on the face of it to me that Goetz's use is not a trademark use. I don't think it is a close call. If it were a close call, it was Goetz's burden to come forward with evidence that would have justified a conclusion in his favor and he didn't. In this regard, a passage from McCarthy on trademarks, Section 3.3 at Page 3-7 is singularly asked. Professor McCarthy writes as follows: "Usually the proponent of exclusive rights in a designation satisfies its burden of proof by pointing out that it has used the designation in such a manner that both customers and competitors are likely to recognize it as an indication of origin. While this is circumstantial evidence, it usually is persuasive. In a borderline case where it is not at all obvious that the designation has been used as a mark, survey evidence may be necessary to prove trademark perception."

Of course, one could expand on that. There might be other evidence that might be persuasive, I imagine. But the long and short of it is I don't regard this as a borderline case and even if it were

there is no evidence, survey or otherwise, to support the claim of trademark use by Goetz.

In light of all of that, I have no occasion to reach all of the other issues that counsel have raised in abundance of caution. Motion for summary judgment is granted in all respects. The plaintiff is directed to settle a form of declaratory judgment and indeed a form judgment on three days' notice. The counterclaims are all dismissed.

Thank you, counsel.

USDC SDNY
DOCUMENT
ELECTRONICALLY FILED
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DATE FILED: 10/19/05

October 17, 2005
BY OVERNIGHT MAIL

The Honorable Lewis A. Kaplan
United States District Judge
Southern District of New York
500 Pearl Street, Room 1310
New York, New York 10007

Re: American Express Company v. Stephen G. Goetz et al., Case No. 05-CV-1555 (LAK)(JCF): Plaintiff's Motion for Stay

Dear Judge Kaplan:

We are in receipt of the October 17, 2005 letter from counsel for American Express requesting a stay in the above-referenced matter of "all dates under the Scheduling Order and all discovery" pending the Court's decision on American Express's pending motion for summary judgment. Not only is a stay unwarranted in this situation, it would be grossly unfair to the defendants, who have yet to receive any meaningful discovery from American Express.

The motion for summary judgment, on its face, is directed to "all of AmEx's claims for declaratory judgment in its Complaint" and "all of the counterclaims brought by Defendant Stephen G. Goetz". *See, e.g.,* Mem. at 1. Further, even a cursory review of the motion papers reveals that the motion is highly fact-intensive. For example, the motion is supported by the declaration of five individuals, including American Express's counsel, each such declaration, in turn, being supported by multiple exhibits.

Counsel for the respective parties discussed the issue of discovery last Friday, October 14, 2005. During that conversation, defendants' counsel offered by way of compromise to take the depositions of the summary judgment declarants first. Thereafter, a determination would be made regarding what additional depositions, if any, would be required. Since that conversation, counsel for American Express has stated that it will not allow even the depositions of the summary judgment declarants, as it is seeking a stay of "all" discovery.[1] *See* E-Mail from Marc Rachman to George Summerfield (Oct. 17,2005) (Ex. A).

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[1] As an aside, as defendants' counsel pointed out during the conversation of last week, the 10 individuals noticed for deposition were originally selected because they had been identified as knowledgeable in American Express's Initial Disclosure pursuant to Fed. R. Civ. P. 26(a).

More generally, however, the approach urged by American Express would be extremely unfair to the defendants. American Express, who brought this matter in the first place, now moves for summary judgment on everything, and asks the Court, and the defendants to accept at face value that the facts as stated in the motion papers are true, and that the supporting documents are authentic. Rather than being subjected to this proposed unfair procedure, the defendants are "entitled to discovery on these and all other issues of fact in this action before the court's time is taken up with premature motion practice." *See Flynn v. Goldman, Sachs & Co.,* 1991 U.S. Dist. LEXIS 15785 (S.D.N.Y. Nov. 1, 1991) at *17. The proposed stay should not issue.

Finally, the defendants hereby move, pursuant to Fed. R. Civ. P. 56(f) for additional time to respond to the pending motion for summary judgment, thereby allowing them to conduct the discovery to so respond. The defendants request an extension to so oppose until two days after the deposition of the final summary judgment declarant (excluding American Express's counsel) has been concluded. A declaration of defendants' counsel, as required under Fed. R. Civ. P. 56(f) is attached hereto as Exhibit B.

Respectfully submitted
s/ Richard G. Tashijian

cc: Marc J. Rachman, Esq. (by facsimile)
Margaret Duncan. Esq. (by facsimile)

Denied. See, e.g., Gorary v. Winehouse, 190 F.3d 37, 43-44 (2d Cir. 1999).

SO ORDERED

s/ LEWIS A. KAPLAN, USDJ
10/19/05

UNITED STATES COURT OF APPEALS FOR
THE SECOND CIRCUIT
THURGOOD MARSHALL U.S. COURT HOUSE
40 FOLEY SQUARE, NEW YORK, N.Y. 10007

Catherine O'Hagan Wolfe
CLERK OF COURT

At a stated Term of the United States Court of Appeals for the Second Circuit, held at the Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, in the City of New York, on the 24th day of March two thousand eight.

Before: Hon. Dennis Jacobs, Chief Judge,
Hon. Richard C. Cardamone,
Hon. Rosemary S. Pooler,
Circuit Judges.

American Express Co.,
Plaintiff-Counter-Defendant-Appellee,
v.
Stephen G. Goetz and Gardner Design Group, LLC,
Defendants-Counters-Defendants-Appellants.

ORDER
No.06-2184-cv

Appellants Stephen G. Goetz and Gardner Design Group, LLC, having filed a petition for panel rehearing and the panel that determined the appeal having considered the request,

IT IS HEREBY ORDERED that the petition is denied.

For the Court:
Catherine O'Hagan Wolfe, Clerk

By: /s/ _____
Frank Perez, Deputy Clerk

101

07-1595

Supreme Court, U.S.
FILED
AUG 2 2 2008
OFFICE OF THE CLERK

IN THE

Supreme Court of the United States

STEPHEN G. GOETZ and GARDNER DESIGN GROUP, LLC,

Petitioners,

—against—

AMERICAN EXPRESS CO.,

Respondent.

ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

RESPONDENT'S BRIEF IN OPPOSITION

MARC J. RACHMAN
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Attorneys for Respondent

QUESTIONS PRESENTED

Whether the Second Circuit entered any decision on the issue of the evidentiary burden required to establish secondary meaning in a reverse confusion case that conflicted with the decision of another United States court of appeals and whether the decision is worthy of this Court's review. Notably, (i) the issue was not raised nor decided below; (ii) Petitioners confuse the analogous use doctrine, used to establish priority of rights through use in commerce, with secondary meaning, which is used to establish the protectability of a trademark; (iii) Petitioners point to no real conflict on the analogous use doctrine nor on the standards for secondary meaning; and (iv) any resolution of this alleged conflict would be immaterial to the outcome of this litigation.

Whether the District Court's denial of Petitioners' overbroad and speculative request for discovery relating to Petitioners' misappropriation claim, which Petitioners dropped from the case, was an egregious departure from the accepted and usual course of judicial proceedings warranting this Court's supervisory power where the requested discovery had no bearing on the ultimate issues which the Court found dispositive in dismissing Petitioners' claims and any alleged error has significance only to the particular facts of this case.

RULE 29.6 STATEMENT

American Express Company states that it has no parent corporation and that the following publicly held companies own 10% or more of its stock: Berkshire Hathaway, Inc.

TABLE OF CONTENTS

PAGE

QUESTIONS PRESENTED i

RULE 29.6 STATEMENT ii

TABLE OF CONTENTS iii

TABLE OF AUTHORITIES v

STATEMENT OF THE CASE 1

REASONS FOR DENYING THE PETITION 5

A. The Decisions Below Did Not Implicate any Allegedly "Inconsistent Burden on a Reverse Confusion Claimant" and Do Not Create Any Circuit Split 7

I. Petitioners' First Question Does Not Warrant this Court's Review Because it was Not Raised or Decided Below and Would Not Change the Outcome of this Action 7

II. Petitioners Mischaracterize the Decisions Below and the Decisions Regarding an Alleged Circuit Split..... 10

PAGE

B. The District Court's Discretionary and Proper Denial of Petitioners' 56(f) Motion Does Not Warrant Exercise of this Court's Supervisory Power 14

I. The Denial of Petitioners' 56(f) Motion is Primarily a Question of Fact and Sufficiency of Evidence Relevant Only to the Parties and Does not Warrant Review by this Court 14

II. No Discovery was Needed from Respondent on the Ground that the District Court Granted Summary Judgment and Thus Any Alleged Error in Denying Petitioners' 56(f) Motion Was Harmless 17

CONCLUSION 20

TABLE OF AUTHORITIES

Federal Cases: PAGE

Adarand Constructors, Inc. v. Mineta, 534 U.S. 103 (2001) 8

Ariz. Dep't of Revenue v. Blaze Constr. Co., 526 U.S. 32 (1999)..... 18

Celotex Corp. v. Catrett, 477 U.S. 317 (1986) 15, 18

City of Springfield v. Kibbe, 480 U.S. 257 (1987) 8

Cohn v. Petsmart, Inc., 281 F.3d 837 (9th Cir. 2002) 13

Commerce Nat'l Ins. Servs., Inc. v. Commerce Ins. Agency, Inc., 214 F.3d 432 (3d Cir. 2000)..... 12-13

Cooper Indus., Inc. v. Aviall Servs., Inc., 543 U.S. 157 (2004) 8

Dick's Sporting Goods, Inc. v. Dick's Clothing & Sporting Goods, Inc., No. 98-1653, 1999 U.S. App. LEXIS 19942 (4th Cir. Aug. 20, 1999)..... 13

Flowers v. United States Army, 127 S. Ct. 2248 (2007)..... 14

Graver Tank & Mfg. Co. v. Linde Air Products Co., 336 U.S. 271 (1949) 16

Gurary v. Winehouse, 190 F.3d 37 (2d Cir. 1999) 18-19

PAGE

Layne & Bowler Corp. v. Western Well Works, 261 U.S. 387 (1923) 16-17

Magnum Imp. Co. v. Coty, 262 U.S. 159 (1923) 16

National Labor Relations Bd. v. Pittsburgh Steamship Co., 340 U.S. 498 (1951) 16

Paddington Partners v. Bouchard, 34 F.3d 1132 (2d Cir. 1994) 19

Rice v. Sioux City Mem'l Park Cemetery, Inc., 349 U.S. 70 (1955) 6

Sommerville v. United States, 376 U.S. 909 (1964) 8

Southern Power Co. v. North Carolina Pub. Serv. Co., 263 U.S. 508 (1924) ... 15

Standard-Vacuum Oil Co. v. United States, 339 U.S. 157 (1950) 8

T.A.B. Sys. v. PacTel Teletrac, 77 F.3d 1372 (Fed. Cir. 1996) 11

The Monrosa v. Carbon Black Export, Inc., 359 U.S. 180 (1959) 8-9

United States v. Galletti, 541 U.S. 114 (2004) 8

United States v. Johnston, 268 U.S. 220 (1925) 15

PAGE

Wal-Mart Stores, Inc. v. Samara Bros., Inc., 529 U.S. 205 (2000) 11

Ying Gan v. The City of N.Y., 996 F.2d 522 (2d Cir. 1993)..... 19

Youakim v. Miller 425 U.S. 231 (1976) 8

Miscellaneous:

E. Gressman, K. Geller, S. Shapiro, T. Bishop & T. Hartnett, Supreme Court Practice § 4.4(h) (9th ed. 2007) 8

E. Gressman, K. Geller, S. Shapiro, T. Bishop & T. Hartnett, Supreme Court Practice § 6.37(i)(3) (9th ed. 2007) 7

2 J. Thomas McCarthy, *McCarthy on Trademark and Unfair Competition* §§ 15:1-82 (4th ed. 2008)..... 12

3 J. Thomas McCarthy, *McCarthy on Trademark and Unfair Competition* § 20:16 (4th ed. 2008) 11

STATEMENT OF THE CASE

Pursuant to Rule 15, Respondent addresses the many misstatements of fact in the petition that bear on what issues properly would be before the Court if certiorari were granted. Respondent also incorporates by reference the facts and proceedings as set forth in the decisions of the District Court and Second Circuit, the Joint Appendix on appeal, as well as in Respondent's submissions to the courts below.

The facts in the Record established that in July of 2004, the American Express Company ("Amex"), through Ogilvy & Mather ("Ogilvy"), its advertising agency, was in the midst of developing a new global advertising campaign (the "Global Campaign"). By mid-July, Ogilvy had developed the service mark MY LIFE. MY CARD. ("MLMC") as a possible theme for the Global Campaign. By late July, Ogilvy had presented memoranda and scripts to Amex using the MLMC theme and had asked for, and received preliminary results for, trademark searches for the mark. During the course of discovery, Amex and Ogilvy produced numerous such documents (including handwritten notes, emails and attached documents referring to MLMC, and searches conducted by outside trademark counsel) reflecting that Amex and Ogilvy had independently conceived of the MLMC mark as early as July 15, 2004. Indeed, even Petitioners admit in their submission to this Court that there were documents reflecting Amex's independent conception of MLMC dated at least as early as July 22nd.

Petitioners claimed that near this time Mr. Goetz came up with a concept to develop software which would allow consumers to personalize their credit cards. In late July, Goetz sent out letters (the "proposal") to two credit card companies, Amex and MasterCard. The proposal was on the letterhead of a third party, Mez Design, and, at best, offered to license the words "*My Life, My Card!*" for the credit card companies to use in conjunction with their offering credit card personalization services. This is indicated by the fact that these words are followed by the statement "American Express [or Mastercard] delivers personalized cards to its cardholders!" The proposal was sent to Amex on July 30, 2004 via UPS, to be delivered on August 2, 2004, which Petitioners admit was the earliest date Amex received it. There is no evidence that any consideration was given to this proposal or that it was even viewed.

Amex began using the MLMC service mark on November 8, 2004, through its launch of the Global Campaign via, *inter alia*, print, TV, and internet advertising. In the meantime, Petitioners had not used *My Life, My Card* as a trademark in connection with any goods or services offered by them or used it in commerce, nor have they done so to date. Prior to Amex's use, Petitioners had not even developed a product or service. Instead, Petitioners' stated intent was to offer to license *My Life, My Card* to credit card companies for *their* use in connection with offering credit card personalization services. At most, to further this intent, Goetz had sent out the proposal described above to Amex and MasterCard,

put together a pitch to MasterCard regarding a future product or service in the form of a Demo that was hosted on a password-protected webpage, and registered a domain name that was not in use.

In February 2005, Amex filed a Complaint for Declaratory Judgment, seeking a declaration that it had not misappropriated or infringed any purported rights in *My Life, My Card* and that Amex's rights were superior to Petitioners' purported rights, if any. During the course of discovery, it became abundantly evident that not only had Amex and Ogilvy independently created the MLMC service mark and used it prior to any use by Petitioners, but also Petitioners had no rights and no use at all in their purported mark. Amex, therefore, brought a motion for summary judgment in October 2005, following months of discovery, requesting a declaration that its rights in MLMC were superior to Petitioners and that it had not misappropriated any rights belonging to Petitioners. Among other things, Amex argued that Petitioners had not used the proposed slogan as a trademark to identify themselves as a source of goods and services, that Petitioners had not used the proposed slogan in commerce, and that there was no likelihood of confusion between Amex's use and Petitioners purported use.

Prior to Amex's summary judgment motion, Petitioners had filed a motion to compel seeking production of almost 30 hard drives belonging to Ogilvy employees. Following Amex's summary judgment motion, Amex sought a stay of discovery pending disposition of its motion, because none of the additional discovery sought by Petitioners

regarding Amex and Ogilvy's independent creation had any bearing on Petitioners' lack of use and trademark rights. Petitioners made a motion under 56(f) to continue the motion, solely speculating on the veracity of the declarants and the authenticity of the documents presented in support of Amex's summary judgment motion. The district court properly denied Petitioners 56(f) motion and granted a stay of discovery; it also denied Petitioners from "wholesale rummaging" into Ogilvy's electronic records, although it allowed Petitioners to verify the creation dates of two documents whose dates Petitioners challenged. The creation dates of these documents were ultimately corroborated by dated emails that attached the documents, which were examined by Petitioners' forensic expert. Significantly, in opposition to Amex's summary judgment motion, Petitioners dropped their misappropriation claims. Therefore, Petitioners themselves rendered superfluous the discovery they claim they were egregiously denied.

The District Court properly entered summary judgment for Amex because, based on undisputed facts, there was no evidence that Petitioners had used their proposed slogan to identify themselves as the source of goods or services (use as a trademark), and thus had no valid protectible trademark rights that Amex could have infringed. Petitioners filed a motion to amend the judgment, without any proper basis, which was denied. The Second Circuit, reviewing the infringement issue *de novo*, affirmed the District Court's decision. Petitioners misstate the Second Circuit's clear holding—a heading in its opinion—that

"Goetz did not use the slogan as a trademark," misleadingly characterizing the Second Circuit's description of Petitioners' preliminary activities with respect to offering the slogan to others as acknowledgement that Petitioners had undisputedly "used" the mark in connection with his "products and personalized credit card services." Petitioners' Brief at 3-4. Although the infringement claims could be disposed on this ground alone, the Second Circuit also found that Petitioners had not established trademark rights because they had not used the proposed slogan in commerce either through actual or analogous use. The Second Circuit also properly found that the District Court had not abused its discretion by limiting discovery and not allowing Petitioners unfettered access to Amex and Ogilvy employees. Once again, without any proper basis, Petitioners filed a motion for reconsideration, which was denied. Neither the District Court nor the Second Circuit addressed any question regarding secondary meaning. Yet again, by filing this baseless petition for writ of certiorari, it appears that Petitioners are determined to exhaust every judicial resource, regardless of whether they meet the criteria for the type of review they seek and regardless of the merits of their position.

REASONS FOR DENYING THE PETITION

The decision below does not conflict with any decision of any court of appeals; in fact, the first question presented by the Petitioner was not even raised nor decided in the proceedings below, and answering it would not change the outcome.

The District Court's proper exercise of its discretion to stay discovery pending summary judgment, which it granted, and denial of Petitioners' request for a continuance under 56(f), rested on its determination of the sufficiency of evidence on the issues presented, is a question of fact relevant only to the parties, and does not rise to an egregious departure from the accepted and usual course of judicial proceeding warranting an exercise of this Court's supervisory power. At worst, the asserted error was an erroneous factual finding or a misapplication of a properly stated rule of law, and was harmless.

Thus, the reasons for review presented by the Petitioner are not of the character the Court considers, as illustrated by Rule 10 of the Supreme Court Rules. Instead, Petitioners' two questions are each of the nature that this Court has identified as unworthy of review—the first "academic," and the second "episodic." *Rice v. Sioux City Mem'l Park Cemetery, Inc.*, 349 U.S. 70, 74 (1955) (dismissing a writ of certiorari as improvidently granted, and stating that the Court "does not sit to satisfy a scholarly interest . . . [n]or does it sit for the benefit of the particular litigants"). Therefore, there is no compelling reason for this Court to review this case, and the Petition should be denied.

A. The Decisions Below Did Not Implicate any Allegedly "Inconsistent Burden on a Reverse Confusion Claimant" and Do Not Create Any Circuit Split

I. Petitioners' First Question Does Not Warrant this Court's Review Because it was Not Raised or Decided Below and Would Not Change the Outcome of this Action

The Petitioners' first question regards a purported decision by the Second Circuit on the burden of proof placed on a reverse confusion claimant to establish secondary meaning that allegedly conflicts with decisions of other circuits. Critically, this issue was neither argued nor decided by either the district or the circuit court below and would not affect the outcome of this case. As a leading commentator has observed:

> In a surprisingly large number of cases every year, the petition raises questions that were not decided by the court below because they were not raised, or seriously mischaracterizes the holding of the court. Demonstration of such a defect is ordinarily fatal to the petition.

E. Gressman, K. Geller, S. Shapiro, T. Bishop & T. Hartnett, Supreme Court Practice, § 6.37(i)(3), at 506 (9th ed. 2007).

For the first time, Petitioners argue that the burden on a reverse confusion claimant to establish that its mark was associated in a significant quantity of the consuming public as referring

exclusively to the appropriate party, i.e., that it has secondary meaning, should be lowered. This Court, however, "ordinarily do[es] not decide in the first instance issues not decided below." *Cooper Indus., Inc. v. Aviall Servs., Inc.*, 543 U.S. 157, 168 (2004), quoting *Adarand Constructors, Inc. v. Mineta*, 534 U.S. 103, 109 (2001). See *United States v. Galletti*, 541 U.S. 114, 120 n.2 (2004) ("Respondents have forfeited this argument by failing to raise it in the courts below."); *City of Springfield v. Kibbe*, 480 U.S. 257, 258-59 (1987). Moreover, arguments not previously asserted are waived and cannot constitute a reason for granting a writ of certiorari. See also *Youakim v. Miller*, 425 U.S. 231, 234 (1976) ("Ordinarily, this Court does not decide questions not raised or resolved in the lower court") (citations omitted)); *Standard-Vacuum Oil Co. v. United States*, 339 U.S. 157, 160 (1950) ("We will not review questions not clearly raised on the record."). Indeed, the words "reverse confusion" or "secondary meaning" do not even appear in either courts' decisions.

Further, resolution of any alleged circuit split on the issue of the burden of establishing secondary meaning in reverse confusion cases will have no bearing on the outcome of this case. Certiorari is ordinarily denied in cases where the resolution of the alleged conflict in authority is irrelevant to the ultimate outcome of the action before this Court. See Gressman, *supra*, § 4.4(h), at 248 (*citing Sommerville v. United States*, 376 U.S. 909 (1964)). As this Court observed in *The Monrosa v. Carbon Black Export, Inc.*, 359 U.S. 180, 184 (1959), "[w]hile this Court decides ques-

tions of public importance, it decides them in the context of meaningful litigation."

As the District Court set forth in its Oral Ruling, the issue of alleged infringement turned upon "whether Goetz has any trademark rights at all. If he does, whether they are senior to those of American Express and if they are whether there is any likelihood of confusion." (App. 20a). The District Court explicitly resolved the case on the basis of the first question alone, and refused to reach the other issues, stating that its determination that Petitioners did not have trademark rights was for the simple reason that they did not use it as a source identifier for themselves but rather "it was used in the context of an invitation to the viewers to license [the] slogan from Goetz for their own use". (Id. at 23a). Thus, it never addressed the issue of secondary meaning, the burden on a reverse confusion plaintiff, or the "public". In fact, the District Court found that Petitioners could not "possibly prevail here even without regard to whether there is a question concerning the extent to which the uses on the websites were publicly available." (Id. at 24a). Similarly, the Second Circuit affirmed the District Court's dismissal based on Petitioners' failure to use the slogan to identify themselves as the source or origin of goods or services alone, finding that, similar to an advertising agency, Petitioners only presented the slogan "My Life, My Card" as a creative concept for others to use. (Id. at 6a-10a). Although the Second Circuit chose to address the second step of the analysis, and correctly determined that Petitioners had not established a priority of rights through using

the mark in commerce, or through analogous use, because their services were purely hypothetical, deliberately private, and never culminated in eventual actual use, it, too, did not address any "burden on a reverse confusion claimant" in establishing secondary meaning. (Id. at 10a-12a). Finally, although neither of the courts below found it necessary to address the third step of the infringement analysis, the infringement claims can also be resolved in Amex's favor by a finding that there is no likelihood of confusion between Amex's use and Petitioners' use (if any), as Amex argued below.

In sum, regardless of a resolution of the evidentiary burden required to establish secondary meaning, and even if an alleged conflict were resolved in the manner Petitioners urge, a finding of no infringement by Amex would still stand because Petitioners had no use as a trademark, no use in commerce (which is not the same as secondary meaning), and because there is no likelihood of confusion. Thus, review by this Court is unwarranted in this case because it can be, and has been, resolved on other grounds.

II. Petitioners Mischaracterize the Decisions Below and the Decisions Regarding an Alleged Circuit Split

Petitioners improperly confuse and attempt to equate the doctrines of analogous use and secondary meaning. Although both doctrines do indeed ultimately bear on the question of whether trademark rights have been established and infringed, they do so in different contexts. The Second Circuit's pronouncements regarding analogous use

cannot be interpreted as making any decision regarding the evidentiary burden required to establish secondary meaning in a reverse confusion case.

The analogous use doctrine, as explained by the Second Circuit, eases the technical requirements for establishing use in commerce in order to determine the priority of rights between competing claimants. (App. 10a-12a); *see also* 3 J. Thomas McCarthy, *McCarthy on Trademark and Unfair Competition* § 20:16 (4th ed. 2008). Petitioners do not argue that there is any circuit split on the doctrine of analogous use, and, although this Court has not ruled on the analogous use doctrine, there is no inconsistency in its application among the circuit courts that requires review by this Court. *See, e.g., T.A.B. Sys. v. PacTel Teletrac*, 77 F.3d 1372, 1376 (Fed. Cir. 1996) ("An unbroken line of precedents of both this court and the [Trademark Trial and Appeals] Board make clear that activities claimed to constitute analogous use must have substantial impact on the purchasing public.").

Secondary meaning, on the other hand, as this Court has explained before, is looked at in determining whether a trademark that is not inherently distinctive is worthy of protection. *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205 (2000) ("a mark has acquired distinctiveness, even if it is not inherently distinctive, if it has developed secondary meaning, which occurs when in the minds of the public, the primary significance of a [mark] is to identify the source of the product rather than the product itself") (internal quotations and citations omit-

ted). *See generally* 2 McCarthy, *supra*, §§ 15:1-82. Whether or not the words "My Life My Card" are inherently distinctive such that they require secondary meaning was not a disputed or relevant issue in the proceedings below. Petitioners themselves did not raise the issue of secondary meaning in their papers opposing summary judgment, and argued it only on their appeal (although even then they did not advance any argument regarding the burden of establishing secondary meaning in a reverse confusion case and only do so for the first time before this Court). In opposition to Petitioners' appeal to the Second Circuit, Amex pointed out that it had never disputed that "*My Life, My Card*" for credit card or card personalization services was an inherently distinctive mark that did not require secondary meaning in order to be protectible *if used as a trademark*; rather, Amex's argument was that Petitioners had not shown any evidence that they had used such a mark to indicate themselves as the source of goods or services, and had not used the mark in commerce. Thus, the decisions below did not require Petitioners to show any amount of secondary meaning.

As for the alleged circuit split regarding the burden of establishing secondary meaning on a reverse confusion plaintiff, not only is this question irrelevant to the issues in this case, the alleged split between the Second Circuit and the Third Circuit, whose standard Petitioners urge this Court to adopt, is entirely concocted. Amazingly, this is revealed by the fact that the very proposition in *Commerce Nat'l Ins. Servs., Inc. v. Commerce Ins. Agency, Inc.* that Petitioners urge

this Court to adopt over the Second Circuit's allegedly conflicting view, cites as authority a Second Circuit and Southern District case. 214 F.3d 432, 444 (3d Cir. 2000) (finding that secondary meaning had been established by thirteen years of continuous use). *Dick's Sporting Goods, Inc. v. Dick's Clothing & Sporting Goods, Inc.*, an unpublished opinion from the Fourth Circuit lacking precedential value and thus uncertworthy, in turn, cites to the Third Circuit in explaining the doctrine of reverse confusion; in it, the Fourth Circuit merely notes that it had not had occasion to adopt the doctrine of reverse confusion to date and that it was not applicable to the case at hand. No. 98-1653, 1999 U.S. App. LEXIS 19942, at *34 (4th Cir. Aug. 20, 1999). In the only other decision cited by Petitioners as evidencing a circuit split, *Cohn v. Petsmart, Inc.*, the Ninth Circuit referenced the issue of secondary meaning in dicta and drew a comparison to *Commerce Nat'l*, but did not rule on the issue of the amount of secondary meaning required in a reverse confusion case because, similar to this case, the protectability of the mark was not disputed. 281 F.3d 837, 842 n.6 (9th Cir. 2002) ("Although Cohn's use of the mark is weak, Petsmart does not argue that Cohn's mark is undeserving of protection because it lacks secondary meaning"). Thus, none of these cases presents a true conflict on the issue for this Court to resolve.

Such irresponsible presentation of the holdings in the cases below and those cited in Petitioners' Brief as supporting authority reveal that not only do the issues not warrant this Court's review, but

that if there were a true and irreconcilable circuit split, Petitioners present the issues in a manner that would make this case a poor vehicle for resolving such a conflict.

B. The District Court's Discretionary and Proper Denial of Petitioners' 56(f) Motion Does Not Warrant Exercise of this Court's Supervisory Power

I. The Denial of Petitioners' 56(f) Motion is Primarily a Question of Fact and Sufficiency of Evidence Relevant Only to the Parties and Does not Warrant Review by this Court

This Court has already determined that the question regarding a district court's denial of a 56(f) motion does not merit review. In *Flowers v. United States Army*, 127 S. Ct. 2248 (2007), this Court denied a certiorari petition requesting review based on an alleged abuse of discretion by a district court's denial of a 56(f) request and grant of summary judgment. It is clear from this Court's previous denial of a similar petition that a district court's discretionary refusal to continue a summary judgment motion based on an alleged need for discovery is not such an egregious departure from the usual course of judicial proceedings to warrant this Court's supervisory power.

Petitioners' Brief only argues that the allegedly "egregious" error by the district court was to decide that further discovery was not needed in order for it to decide Amex's motion for summary judgment under the facts of this case. Rule 56(f),

by its terms, affords district courts discretion to order continuance of a summary judgment motion where the party opposing it establishes the need for discovery of facts essential to justify its opposition, or to issue any other just order. The interpretation of this rule is not at issue. Rather, Petitioners merely argue that it was not applied in their favor. As Rule 10 indicates, "erroneous factual findings or the misapplication of a properly stated rule of law" rarely result in a grant of a writ of certiorari. See *United States v. Johnston*, 268 U.S. 220, 227 (1925) ("We do not grant certiorari to review evidence and discuss specific facts."); *Southern Power Co. v. North Carolina Pub. Serv. Co.*, 263 U.S. 508, 509 (1924) (whether evidence was sufficient was primarily a question of fact, not a ground upon which the Court would be moved to grant certiorari).

Petitioners' reference to a single case on this issue does not help them; the language referred to in *Celotex Corp. v. Catrett* was dicta that sets forth the availability of Rule 56(f) but does not require a particular application of it from which the District Court differed. 477 U.S. 317, 326 (1986). In fact, *Celotex* largely stood for the proposition that Rule 56 was designed to facilitate the summary disposition of meritless claims and defenses, despite an opposing party's assertion that the evidence presented was insufficient. *Id.* This Court also specifically declined to address the adequacy of the showing made by the respondent on summary judgment, finding that the courts below were better equipped to do so. *Id.* at 327.

This Court is even more cautious in granting certiorari in a situation where the district court's determination is affirmed by the court of appeals. See *Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 336 U.S. 271, 275 (1949) ("A court of law, such as this Court is, rather than a court for correction of errors in fact finding, cannot undertake to review concurrent findings of fact by two courts below in the absence of a very obvious and exceptional showing of error.") After failing to identify any error in the district court's denial of their 56(f) motion, and failing to persuade the Second Circuit of any abuse of discretion, Petitioners merely seek another bite at the apple. Recycling arguments already rejected by the circuit court has never been a proper basis for certiorari, and such an attempt is disrespectful of this Court's unique and important role. *See Magnum Imp. Co. v. Coty*, 262 U.S. 159, 163 (1923) ("[t]he jurisdiction was not conferred upon this Court merely to give the defeated party in the Circuit Court of Appeals another hearing. Our experience shows that eighty per cent of those who petition for certiorari do not appreciate these necessary limitations upon our issue of the writ.")

Finally, Petitioners do not even attempt to argue that any alleged error by the district court has any application beyond the facts of this case. *National Labor Relations Bd. v. Pittsburgh Steamship Co.*, 340 U.S. 498, 502 (1951) ("Certiorari is granted only in cases involving principles the settlement of which is of importance to the public as distinguished from that of the parties") (quoting *Layne & Bowler Corp. v. Western*

Well Works, 261 U.S. 387, 393 (1923)). Such an episodic case, relevant only to a particular private litigant, does not warrant review by this Court.

II. No Discovery was Needed from Respondent on the Ground that the District Court Granted Summary Judgment and Thus Any Alleged Error in Denying Petitioners' 56(f) Motion Was Harmless

Although they did not raise the issue in opposing summary judgment, Petitioners, for the first time before the Second Circuit, and now this Court, insist that further discovery was needed in order to support their misappropriation claim, and therefore summary judgment was premature. Petitioners' insistence, given their own statement that misappropriation claims can exist separately from a trademark infringement claim, is baffling, given that they voluntarily dropped their misappropriation claim before the District Court. *See* App. 20a ("Although Goetz does not formally concede independent creation by American Express, he no longer disputes American Express on this point. The central issue that remains therefore is whether American Express has infringed Goetz's alleged trademark, which in turn depends upon whether Goetz has any trademark rights at all."). Petitioners improperly attempted to re-introduce their misappropriation claim through the back door by appealing the denial of their request for discovery before the Second Circuit; however, again, they did not advance any arguments regarding their misappropriation claim. This Court need not consider,

in the first instance, a claim that was not pursued before or decided by the courts below. *Ariz. Dep't of Revenue v. Blaze Constr. Co.*, 526 U.S. 32, 35 (1999).

Given that Petitioners themselves did not pursue their misappropriation claim, the District Court decided the remaining trademark infringement claims on the ground that there was no evidence that Petitioners used "My Life, My Card" as a trademark prior to Amex. Because first use by Petitioners, not creation by Amex, was the critical date on the trademark infringement claim, it was Petitioners' burden to show that they had first used the disputed mark. No discovery from Amex was required on that issue – the information was exclusively in Petitioners' possession. Therefore, the discovery Petitioners insist they needed to verify the dates of documents showing Amex's independent creation was irrelevant to a claim of trademark infringement, would not have supported either party's remaining claims or defenses, and was properly denied.

Even if the misappropriation claim had remained, as this Court noted in *Celotex*, no discovery is needed by a party opposing summary judgment in order to present facts within its control, or to point to material issues of disputed fact, on summary judgment. 477 U.S. at 324. Moreover, Petitioners' 56(f) request for more discovery was improperly based only on speculative contentions that the affidavits supporting Amex's motion for summary judgment were not credible, without specifying what genuine issue of material facts further discovery would uncover, and was thus properly denied. *See, e.g., Gurary v. Winehouse*,

190 F.3d 37, 43 (2d Cir. 1999) ("a party resisting summary judgment on the ground that it needs discovery in order to defeat the motion must . . . [show] how those facts are reasonably expected to create a genuine issue of material fact. . ."); *Paddington Partners v. Bouchard*, 34 F.3d 1132, 1138 (2d Cir. 1994) (a court can reject a Rule 56(f) request for discovery if it is based on speculation as to what potentially could be discovered); *Ying Gan v. The City of N.Y.*, 996 F.2d 522, 532 (2d Cir. 1993). Finally, if there were any error in the district court's denial of Petitioners' 56(f) motion, it was harmless because it did not preclude Petitioners from pointing to disputed issues of fact regarding their misappropriation or other claims. Petitioners' real gripe is that the courts below found evidence supporting their claims to be insufficient and did not find their alleged disputes over facts to be genuine or material.

In any event, Petitioners' contention that they were deprived "of any opportunity to conduct any discovery" or the right to conduct "some iota of discovery" is a misrepresentation. Amex and Ogilvy filed their motion for summary judgment six months after filing their Complaint, and by then had produced several thousands of pages of documents. Over fifteen of these documents, dated between July 15th and August 1st, established that they had independently conceived of the MLMC mark prior to the earliest date Petitioners' solicitation would have reach Amex. Thus Amex did not "adopt" the mark "a day after it received Goetz's submission" but conceived of it nearly two weeks before. This was verified by

Petitioners' own forensic expert, who examined emails reflecting Amex's consideration of the MLMC mark that existed separately from a computer that had been accidentally erased after documents it had contained were copied to another hard-drive. [Documents attached in support of Respondent's motion for summary judgment were authenticated by affidavit.] The fact that Petitioners do not even identify what further "authentication" or "objectively verifiable forensic discovery" they seek, or how such discovery would change the outcome, reveals that this question is entirely baseless.

CONCLUSION

For the reasons stated, the Petition for Writ of Certiorari should be denied.

Respectfully submitted,

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In The
Supreme Court of the United States

STEPHEN G. GOETZ AND
GARDNER DESIGN GROUP,

Petitioners,

v.

AMERICAN EXPRESS COMPANY.

Respondent.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Second Circuit

PETITIONERS REPLY BRIEF

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American Express tries to steer this Court down a blind alley by claiming that Goetz seeks the resolution of an issue that was "neither argued nor decided" below. (Opposition p. 7). To achieve this, American Express says the question presented by Goetz asks the Court to address "the burden of proof placed on a reverse confusion claimant to establish secondary meaning."

The true question presented, however, requests this Court to address whether the evidentiary burden placed on a reverse confusion claimant to establish rights in a trademark should be lowered to take into account the competing burdens of proof a claimant faces which, on one hand, require a showing that the public associates the mark with the claimant's goods/services in order to establish rights in the mark, and then, do the opposite on the reverse confusion issue, and establish that the public associates the claimant's uses of its own mark as those of the infringing junior user. Acknowledging that such a dilemma exists and in an attempt to equitably resolve it, several circuit courts have lowered the burden of establishing rights in a mark for reverse confusion claimants by, for example, lowering the quantum of proof needed to establish that the mark has acquired secondary meaning so as to avoid permitting the infringing junior user to use its superior market strength to infringe with impunity. (Petition p. 9). Other circuits, such as the Second Circuit in the underlying action, the Fourth Circuit, and at least one district court in the Eighth Circuit have all

refused to recognize such an exception. (Petition pp. 9-10).

American Express next says that Goetz has "concocted" the split by equating the doctrine of analogous use with the doctrine of secondary meaning. Yet, while bearing different labels, both doctrines may indeed be equated since both are used to determine whether a claimant has enforceable trademark rights. For example, as this Court has held, trademark rights may be established in an otherwise unprotectable mark, such as a color or product feature, upon a showing of secondary meaning which is attained when, in the minds of the public, the primary significance of the mark is to identify the source of a product rather than the product itself. *Wal-Mart Stores v. Samara Bros.*, 529 U.S. 205, 211 (2000); *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 163 (1995). The Second Circuit's test for "analogous use," through which Goetz sought to establish enforceable trademark rights, is virtually identical. It requires that any analogous use must be "open and notorious," *i.e.*, "of such a nature and extent" that the mark had become "popularized in the public mind," so that the relevant segment of the public identifies the mark with the claimant's goods/services. (Petition p. 10). Thus, while bearing different labels, both doctrines are indeed identical in application since both are used to establish enforceable trademark rights by showing that a mark is associated with a particular source in the public mind.

Lastly, American Express argues that review by this Court is unwarranted since American Express will prevail on the likelihood of confusion issue. (Opposition p. 10). This argument is without merit. As American Express admits on the preceding page of the Opposition, the issue of reverse confusion was never addressed by the courts below. (Opposition p. 9).

In short, this case is indeed an excellent vehicle in which to address the inequitable dilemma faced by a reverse confusion claimant. It is beyond dispute that American Express swamped the marketplace with its global advertising campaign despite receiving notice of Petitioners' use of the My Life My Card trademark via Petitioners' proposal months earlier and at a time in which American Express was in a position to move forward with a different trademark. It is also beyond dispute that upon launch of American Express's media blitz, Goetz was injured by the inability to make any further use of the mark it was the first to adopt and use in the marketplace. And perhaps in the biggest irony of all, the injury caused by American Express was the very reason the courts below refused to provide any relief to Goetz since they found that Goetz had failed to show that its use of the mark was "open and notorious," *i.e.*, "of such a nature and extent" that the mark had become "popularized in the public mind," so that the relevant segment of the public identified the mark with the claimant's goods/services. To prevent the injustice of permitting the infringing activities of a junior user

to be used as a sword against an injured party is the very reason why several circuit courts have lowered the burden of proof in establishing trademark rights for reverse confusion claimants. Not recognizing this dilemma will continue to permit larger and stronger junior users to misappropriate marks with impunity in some circuits while not being able to do so in others.

Respectfully Submitted,

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